

**MICHIGAN VEHICLE CODE (EXCERPT)**  
**Act 300 of 1949**

**257.248h Persons engaged in prohibited conduct; penalties; refusal to issue or renew license; revocation or suspension of license; denial or revocation of license without hearing.**

Sec. 248h. (1) A person who has engaged in conduct prohibited by subsection (2) is subject to 1 or more of the following penalties:

- (a) Placement of a limitation on the person's license.
- (b) Suspension or revocation of a license.
- (c) Denial of an original or renewal application.
- (d) A civil fine paid to the department in an amount not to exceed \$25,000.00.
- (e) Condition of probation.
- (f) A requirement to take affirmative action, including payment of restitution.
- (g) A letter of censure.

(2) The secretary of state may deny the application of a dealer after an appropriate hearing for the licensing of an individual as a salvage vehicle agent and refuse to issue or renew the license of an agent or may suspend or revoke an agent's license already issued if the secretary of state finds that the dealer, applicant agent, or licensed agent has done 1 or more of the following:

- (a) Made a false statement of a material fact in the agent's application.
- (b) Violated this chapter or a rule promulgated under this chapter, or assisted others in the violation of this chapter or a rule promulgated under this chapter.
- (c) Purchased or acquired a salvage or scrap vehicle or salvageable part for a dealer for whom the agent is not licensed, or functioned as an agent for himself or herself alone and without respect to any dealer.
- (d) Committed a fraudulent act in connection with purchasing or acquiring or otherwise dealing in vehicles of a type required to be registered under this act or in salvage or scrap vehicles or in vehicle parts.
- (e) Engaged in a method, act, or practice that is unfair or deceptive, including the making of an untrue statement of a material fact.
- (f) Violated a condition of probation.
- (g) Failed to comply with the terms of a final cease and desist order.
- (h) Failed to pay over funds or to surrender or return property received in the course of employment to a dealer or other person entitled to the funds or property.
- (i) Acted as a dealer's agent by purchasing, acquiring, selling, or disposing of a vehicle while employed by a licensed dealer without reporting the purchase, acquisition, sale, or disposing of the vehicle to the dealer.
- (j) Served in a managerial capacity for a dealer during the time another agent or employee of that dealer, acting under the direction and control of the dealer or licensed agent, committed a violation of this chapter or of a rule promulgated under this chapter or of a similar law in another state or jurisdiction.
- (k) Acted for more than 1 party in a transaction without the knowledge of the other parties.
- (l) Permitted an unlawful use of the agent's license.
- (m) Accepted a commission, bonus, or other valuable consideration for the sale of a vehicle from a person other than the dealer under whom the agent is licensed.
- (n) Possessed a vehicle or a vehicle part that has been confiscated under section 415 of the Michigan penal code, Act No. 328 of the Public Acts of 1931, being section 750.415 of the Michigan Compiled Laws, or of a similar law in another state or jurisdiction.

(3) Upon receipt of the appropriate abstract of conviction and without an opportunity for a hearing, the secretary of state shall deny the application of a person for a license as a salvage vehicle agent or immediately revoke the license of a person as a salvage vehicle agent for not less than 5 years after the date of the person's last conviction if the applicant or licensee, or a stockholder, officer, director, or partner of the applicant or licensee, has been convicted of a violation or attempted violation of section 254 of this act or of section 413, 414, 415, 535, or 535a of the Michigan penal code, Act No. 328 of the Public Acts of 1931, being sections 750.413, 750.414, 750.415, 750.535, and 750.535a of the Michigan Compiled Laws, or has been convicted in federal court or in another state of a violation or attempted violation of a law substantially corresponding to section 254 of this act or of section 413, 414, 415, 535, or 535a of Act No. 328 of the Public Acts of 1931.

(4) Upon receipt of the appropriate abstract of conviction from the court and without an opportunity for a hearing, the secretary of state shall deny the application of a person for a license as a salvage vehicle agent or immediately revoke the license of a person as a salvage vehicle agent and shall never issue the person a salvage vehicle agent license if the applicant or licensee has any combination of 2 or more convictions of a violation or attempted violation of section 254 of this act or of section 413, 414, 415, 535, or 535a of Act No.

328 of the Public Acts of 1931, being sections 750.413, 750.414, 750.415, 750.535, and 750.535a of the Michigan Compiled Laws, or has been convicted in federal court or in another state of a violation or attempted violation of a law substantially corresponding to section 254 of this act or of section 413, 414, 415, or 535a of Act No. 328 of the Public Acts of 1931.

**History:** Add. 1993, Act 300, Eff. July 1, 1994.